Arizona Dept. of Health Services Division of Behavioral Health Services

Encounter Tidbits

Arizona Department of Health Services

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HIPAA Corner… … …

Where Can I Find Information On Organizations Fined or Penalized For HIPAA Violations?

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Q Where can I find information on organizations fined or penalized for HIPAA violations? My management says that the government won't do anything to us if we're not following the rules, but that sounds risky to me. What can I tell them to refute their assertion we won't run into trouble if we violate the rules?

A Several thousand medical privacy complaints were filed with HHS Office for Civil Rights (OCR) during the first year of privacy rule enforcement, with no civil monetary penalties assessed. However, you're right to be concerned about your management's risky attitude. Bear in mind the following:

OCR reportedly turned over to the U.S. Department of Justice (DOJ) dozens of complaints for criminal investigation. These are complaints of "wrongful disclosure" broadly defined by HIPAA and not limited to actions with malicious intent or for personal gain. They are the more serious cases by definition and we have yet to learn their outcome. Note that both monetary penalties and prison time can result from so-called criminal actions.

Another federal agency, the Federal Trade Commission, imposed severe penalties on healthcare organizations, and we may see the same from the DOJ. Furthermore, over time, as federal administrations change and public opinion shifts, OCR could more vigorously enforce the rule. In fact, the well-regarded Health Privacy Project urges Congress and the OCR to aggressively monitor compliance rather than rely solely on consumer-driven complaints.

But the greatest risks today to your organization come from private lawsuits and negative publicity. Courts cited HIPAA's privacy rule in medical privacy cases even before the rule became enforceable. And a growing body of information security laws and regulations create a de facto standard.

Any organization, even a small one, that does not meet that standard (i.e., acceptable information security practices) will find it difficult to withstand a legal challenge in the face of a breach. Absent a breach, if your local newspaper discovers that your organization engages in substandard practices-for example, improper disposal of papers and electronic media-the bad press alone can financially impact a facility because patients may go elsewhere for their care.

This question was answered by Kate Borten, CISSP, CISM, president and founder of The Marblehead Group, Inc., in Marblehead, MA, a national security and privacy consulting firm focusing on the healthcare industry. This is not legal advice. Consult with your facility's legal counsel for legal matters.

Work Force Security and Information Access Management

Add this to your to-do-list: Enhance your security policies and procedures by making sure everyone has appropriate access to electronic protected health information (ePHI). Then, make changes to prevent those without authority from gaining access. To ensure appropriate security, address the following:

- Authorization/supervision of staff who work with ePHI or where it might me accessed
- Perform work force clearance procedures or background investigations as outlined by the security rule
- Halt access when a work force member ends their employment by properly terminating their access capabilities

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Grace Periods Eliminated for New Codes

At present, Medicare allows a 90-day grace period following updates to CPT, HCPCS and ICD-9-CM codes to allow providers time to obtain new codes and purge old codes from their billing systems.

As you know, CPT and HCPCS codes are updated annually on January 1st of each year. Traditionally, the grace period for billing the previous year's codes has been January 1st through March 31st.

ICD-9-CM codes are updated annually on October 1st of each year and the grace period for using the previous year's codes has been October 1st through December 31st.

Effective next year, CMS will no longer allow the 90-day grace period during which both old and new CPT, HCPCS and ICD-9 codes may be used. This means beginning January 1, 2005, providers must begin submitting only 2005 CPT and HCPCS codes. If a provider submits a 2004 CPT or HCPCS code that has been deleted from the 2005 CPT after January 1, Medicare will deny the claim. Likewise, on October 1, 2004, providers must begin using 2005 ICD-9 codes.

The *grace periods are being eliminated* based on the Health Insurance Portability and Accountability Act (HIPAA). Transaction and code set rules require medical code sets are valid at the time service was provided.

Important Information on Corporate Compliance

Prioritize Audits

Use a "finders and fixers" plan to review and correct your biggest compliance issues. People inside of the organization are the best at knowing how systems work and what steps are required to fix incorrect claims, but they may not know what to look for or how to find it. Outside help can help you find your compliance vulnerabilities and by fixing the issues yourself, your staff learns what the problems are, how they were uncovered, and how to avoid them in the future.

The list below is a starting point for some of the key areas to audit internally:

- Focus on all areas of risk as identified in the OIG work plan
- Audit the UB-92 and charge master for new codes, old codes, and deleted codes
- Review your denial management process
- Review billing of pass-through items, especially from 2001 and 2002
- Review units of service reporting especially for drugs
- Review the charge capture process in the ED, as well as other departments including your clinics
- Check evaluation and management guidelines created and distribution of code levels
- Investigate use of observation, including all criteria being met before billing
- Check charges reported in high-volume APCs, APCs generating a high volume of outlier payments, or both
- Review highest outpatient code editor edits

AHCCCS
Division of Health Care Management
Data Analysis & Research Unit
Encounter File Processing Schedule
December 2004/January 2005

FILE PROCESSING ACTIVITY	Dec 2004	Jan 2005
Deadline for Corrected Pended Encounter and New Day File Submission to AHCCCS	Fri 12/3/2004 12:00 PM	Fri 1/7/2005 12:00 PM
Work Days for AHCCCS	6	6
Encounter Pended and Adjudication Files Available to Health Plans.	Tue 12/13/2004	Tue 1/17/2005
Work Days for Health Plans	17	14

NOTE:

1. This schedule is subject to change. If untimely submission of an encounter is caused by an AHCCCS schedule change, a sanction against timeliness error will not be applied.
2. Health Plans are required to correct each pending encounter within 120 days.
3. On deadline days, encounter file(s) must arrive at AHCCCS by 12:00 p.m., Noon, unless otherwise noted

Important Reminders . . .

Unless specific unacceptable conduct is detailed in a fraud prevention policy, there can be legal problems in discharging a dishonest employee. Many companies have learned it is best to spell out specific unacceptable conduct. Check with your counsel regarding any legal considerations with respect to a fraud policy. One of the most important legal considerations is to ensure everyone and every allegation is handled in a uniform manner.

AHCCCS ID Changes to Occur

The AHCCCS project to comply with state statute ARS §§ 44-1373 and 44-1373.01 is scheduled to begin December 6, 2004 and be completed by January 1, 2005. To comply with the statues AHCCCS will be replacing all AHCCCS client IDs that are also the client's SSN with new AHCCCS ID numbers that begin with an alpha character.

There are currently 175,000 active and 441,000 inactive AHCCCS members who have all numeric AHCCCS IDs. AHCCCS will send out new AHCCCS ID cards when the new numbers are created and linked.

DHS is working with AHCCCS to make the transition of behavioral health segments from one ID to the other as seamless as possible and to provide the RBHAs with a list of clients involved.

Billing Questions ……

Change in Coding for Risperidone

Effective January 1, 2005, HCPCS code S0163 (Injection, Risperidone, long acting, 12.5 mg) will be replaced by the new code J2794 (Injection, Risperidone, long acting, 0.5 mg).

The CMS HCPCS workgroup staff has confirmed the unit associated with J2794 is correct. The Workgroup will often approve a new code with a unit of service that represents the lowest common denominator of possible billing units.

To bill a multiple of 0.5 mg, the provider encounters the appropriate number of units for the dosage injected. The equivalent units using the 12.5mg dosage, using the old code as a guide, the encounter must be submitted using the new code with 25 units instead of 1.

Example:
OLD – *S0163* Injection, Risperidone, long acting, 12.5 mg
NEW – J2794 Injection, Risperidone, long acting, 0.5 mg

Data Validation CY20

AHCCCS is reviewing the challenge submitted by ADHS/DBHS. When the review is completed, and adjustments have been made, a final error report and sanction amount will be calculated.

When Office of Program Support receives the final report and sanctions, the report will be separated and forwarded to each RBHA.

The sanction amount will be withheld from the following month's capitation paid to each RBHA. It is each RBHAs decision whether to pass sanction amounts on to the providers.

Edit Alerts

An Edit Alert is a faxed and e-mailed notice of system enhancements or changes. The Office of Program Support strives to ensure any system enhancements or changes are communicated to all program participants in an accurate and reliable manner. Edit Alerts will be distributed when the information is first made available and again with the following monthly publication of the Encounter Tidbits.

*** There are no edit alerts this month ***

AHCCCS Encounters Error Codes

R410 – Recipient not eligible for AHCCCS services on Service Dates

Review the AHCCCS ID and service begin and end dates for the encounter. The most common error involves the client's termination of enrollment in the health plan. Review the enrollment information for the client using PMMIS screen RP216 – Inquire BHS/FYI Data, this screen indicates current or past enrollments and provides basic data for the client. If you are unable to resolve the issue, please contact the appropriate technical assistant.

P330 – Provider not Eligible for Category of Service on Service Date

Review all pertinent fields and relevant data on the encounter. The most common error is an inappropriate procedure code. Review the AHCCCS PMMIS Encounter/Claims screen PR035 – Categories of Service and PR090 – Provider Profile for appropriate data. If the problem persists, contact your technical assistant.

Z725 – Exact Duplicate from Different Health Plans

Encounters are pending because at least one claim was found in the system from another health plan matches the pended claim. These claims need to be researched by both health plans' to determine the cause for the exact duplicate. Each health plan must work together to resolve the issue and decide who should receive payment for the service. Your assigned technical assistant is available to help you with your research.

Z725 – Exact Duplicate from Different Health Plans	5,306
R410 – Recipient not Eligible for AHCCCS Services on Service Dates	3,447
P330 – Provider Not Eligible for Category of Service on Service Date	2,501
Total	11,254

*These errors account for **36.71%** of the pended encounters at AHCCCS.*

Tentative Schedule for Pended Encounter Files and Corrections

Pend Approved Duplicate Overrides & Subvention Deletions - Noon on Thu, 12/30/04

Overrides and subvention AHCCCS deletions must be submitted by the deadline in DelDup file format to be processed in the next AHCCCS encounter cycle. Only send deletions for Error Codes = R410 and R660; any other error code will require a full void transaction in the normal daily process.

Pend Deletions (Void in CIS) - Thu, 12/30/04 (State Holiday)

CIS Pend Online Corrections – Sunday, 01/02/05

All CIS voids and CIS online corrections must be completed by the deadline in order to be processed with the next AHCCCS Pend Correction File (scheduled 01/03/05).

AHCCCS Pend Online Corrections – Thu, 01/06/05

AHCCCS online corrections must be completed by the deadline in order to be processed in the next AHCCCS encounter cycle (scheduled 01/07/05).

Note: The CIS New Day process is scheduled to run Wed, 12/29/04. CIS voids for approved encounters must be submitted by Tue, 12/28/04 in order to be processed in the next AHCCCS encounter cycle.

If you have any questions regarding your pend errors, please feel free to contact your OPS Technical Assistant.

Welcome !!! !!! !!!

Please join Office of Program Support staff in welcoming Vicki Burdge to the Division of Behavioral Health Services. Vicki will fill the Data Integrity Unit Supervisor position in the Office of Program Support Services. Vicki is a Certified Procedural Coder and has over 6 years experience with claims and encounters, most recently with Southwest Family Medicine. Vicki's first day with the Division of Behavioral Health was November 8, 2004.

Office of Program Support Staff

If you need assistance, please contact your assigned Technical Assistant at:

Michael Carter	Excel NARBHA	(602) 364-4710
Eunice Argusta	CPSA-3 CPSA-5 Gila River Navajo Nation Pascua Yaqui	(602) 364-4711
Javier Higuera	PGBHA Value Options	(602) 364-4712